Amendments to the specification:

Kindly replace the first paragraph on page 12 of the originally-filed specification, (the paragraph beginning at line 4 of said page 12) with the following revised paragraph:

Pursuant to the U.S. Patent No. 6,657,960 B1 and U.S. patent application serial number 09/540,428 references incorporated above, Wwith regard to (1) the first part of the two-part algorithm (BAT without SARED but with hysteresis), the Transmit fraction of BAT for flow i, Ti, is defined as follows:

If
$$fi(t) \le fi$$
,min then $Ti(t + dt) = min(1, Ti(t) + w)$;
else if $fi(t) > fi$,max then $Ti(t + dt) = Ti(t)(1-w)$;
else if $B(t) = 1$ then $Ti(t + dt) = min(1, Ti(t) + CiBavg(t))$;
otherwise then $Ti(t + dt) = Ti(t)(1-DiOi(t))$;

where Ci and Di are constants used for increment and decrement, respectively, of Ti, fi,min is the minimum flow for the ith pipe, and fi,max is the maximum flow for the ith pipe. Ci and Di are defined by subscription of each flow, fi,min, and the service rate of the system, S. They are given as follows:

Ci =
$$(S + fi,min-(fl,min + f2,min +... + fn,min))/16$$
; and
Di = $(S - fi,min)*4$.

Hysteresis is incorporated according to the following algorithm: if hysteresis is on and the queue level is less than the hysteresis threshold, then no packet will be dropped -- i.e., Ti is updated but does not apply to packets; else, if hysteresis is off, then packets are processed as normal -- i.e. Ti is applied to each packet.